

The Navajo Nation Office of the President and Vice President

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Navajo Nation leaders continue to question Naat'áani Development Corporation's ability to oversee hundreds of millions of dollars in Medicaid funds

WINDOW ROCK, Ariz. – Navajo Nation President Jonathan Nez and Vice President Myron Lizer vetoed Resolution CO-56-21 on Saturday, as they continue to express concerns over the Naa'táani Development Corporation's ability to manage hundreds of millions of dollars in health care funding for Medicaid coverage for over 70,000 Navajo citizens in the state of New Mexico.

The resolution, approved by the 24th Navajo Nation Council, sought support for the Naat'aanli Development Corporation to launch the Indian Managed Care Entity, in partnership with an outside entity known as Molina Healthcare, Inc. Naa'táani Development Corporation was established in July 2017 to create subsidiaries to promote economic opportunities and revenue, but did not include the authority to oversee critical healthcare benefits for the Navajo people.

Since then, the Naa'táani Development Corporation continues to operate mostly behind closed doors to lobby tribal and state officials to secure approvals and a contract with the state of New Mexico to manage the Medicaid funds.

"We've repeatedly called on the Naa'táani Development Corporation to be more open about their operations. The CEO has not provided any recent information about the location and operations of their office and the current status of millions of dollars that was given to the group to establish their initial operations. Nor does the corporation have a clear plan to implement and oversee hundreds of millions of dollars that they would oversee and have access to if given approval to manage the healthcare of over 70,000 of our Navajo people. There are too many red flags and grave concerns about how they will operate and who will truly benefit if the Naa'táani Development Corporation, an entity with no prior health care experience or expertise, obtains approvals to oversee Medicaid for our Navajo people. We cannot support this proposal with so many unanswered questions and a questionable CEO," said President Nez.

On March 27, 2020, President Nez vetoed Resolution CMA-14-20, which attempted to capitalize on the COVID-19 pandemic by requesting the Governor of New Mexico to "expeditiously secure all necessary regulatory approvals, contracts, and infrastructure for launching the Naa'táani Development Corporation – Molina Healthcare, Inc. Indian Managed Care Entity."

The Council attempted to override the veto, however, the final outcome of the override remains in question due to a memorandum issued on April 7, 2020 by Council Delegate Charlaine Tso stating that she "inaccurately" casted her vote in support of the override. In the memo, she also requested that her vote be accurately recorded in opposition to the override, meaning that the override failed. The Office of the President and Vice President issued two separate letters to the Office of the Speaker requesting clarification, however a response has not been received.

"Our office repeatedly requested important financial information and detailed operating plans from the Naa'táani Development Corporation and its subcontractor, Molina Health Care. We also requested information on regulatory jurisdiction and oversight of the Indian Managed Care Entity. All of these requests have remained unanswered to this day," stated Vice President Lizer.

President Nez and Vice President Lizer also pointed out that securing health care funds for Navajo people is already extremely competitive and difficult and that adding a new entity to the health care field will only make the process more challenging.

"The introduction of Naat'áani Development Corporation to managed care will lead to more competition for current health care dollars and services. We do not want to jeopardize the health care benefits of our people, especially in the midst of a worldwide pandemic. IHS hospitals and 638 facilities currently serving the Navajo people should not have their funding jeopardized. This is a time when we should all be working together," added President Nez.

The Office of the President and Vice President will continue to protect Navajo Nation's sovereignty and best interests, including the health and welfare of Navajo citizens. President Nez and Vice President Lizer remain ready to work with the Navajo Nation Council and others to work toward solutions that prioritize the well-being of Navajo citizens.

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